

NEWS RELEASE

Office of the United States Attorney for the District of Nebraska

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March 17, 2010

United States Attorney Deborah R. Gilg and the United States Department of Agriculture, Office of Inspector General, and the Farm Service Agency today announce the following information for the attention of the media:

Event Triggering this Release:

Denise Schawang of Falls City, Nebraska, today pled guilty to wire fraud committed in connection with her employment in the Richardson County Farm Service Agency (FSA) office. Schawang, 45 years old, was a program technician with the FSA, who along with her husband also obtained price support loans from the Commodity Credit Corporation (CCC). The terms of these loans permit farmers to avoid paying interest, and to possibly repay a lower principal amount, if they repay the loans early. As a program technician, Schawang assisted farmers with these loans, and had access to the FSA computer system though which the loans were processed.

On ten different occasions between September 1999 and March 2007 Schawang used her access to the FSA computer system to enter false loan repayment dates for loans she and her husband had obtained from the CCC. The loans were repaid, but by entering false loan repayment dates, Schawang evaded interest payments she otherwise was obligated to pay, and in some instances falsely made it appear that she qualified for repayment of a lower principal amount. The total gain to Schawang has been calculated to be approximately \$44,435, which Schawang repaid in full prior to today's guilty plea. Schawang has also agreed to a lifetime bar from future employment with the FSA.

Wire fraud is a felony offense, which carries a maximum possible penalty of 20 years imprisonment and a \$250,000 fine. A presentence investigation was ordered, and sentencing was scheduled for June 3, 2010.

Name of Defendant: Denise Schawang

AKA:

Age: 45

City of Residence: Falls City, Nebraska

Crime(s) Charged and Potential Penalty: Wire Fraud - 20 years imprisonment; \$250,000 fine; 3

years term of supervised release, and \$100 special assessment.

Specific Location of Alleged Crime: Falls City, Nebraska

Location of Arrest: N/A

Alleged Dollar Loss/Type and Quantity of Drug: N/A

Others Charged in Same Scheme: None

Relevant Dates:

Date of Alleged Crime: 11/03/2004 through 03/22/2007

Federal Arrest Date: N/A

Date Complaint Issued: N/A

Indictment Returned Date: 05/21/2009

Initial Appearance Date: 06/18/2009

Plea or Trial and Date(s): 03/17/2010

Sentencing Date: 06/03/2010

Next Court Hearing Type and Date: N/A

Assigned Magistrate Judge: N/A

Held without Bond, or Released from Custody: Released

In Continuous Custody Since:

Assigned District Court Judge: Richard Kopf

Initials of Assigned AUSA/Preparer of THIS Release: ALE